UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Washington

CS-15 January 27, 1938.

THE COTTON SITUATION

Summary

Indications are that the world consumption of raw cotton has declined considerably during the past 6 weeks, the Bureau of Agricultural Economics reports. In the United States there was a significant decline although considerably less severe than the drop which occurred during the first 4 months (August through November) of the current season. As a result of the decline in mill activity and some improvement in sales of cotton goods by mills, the relation of sales to output in the United States apparently has been more favorable than for some time.

Cotton mill activity in most foreign countries has been maintained at a considerably higher rate in relation to last season than has been true in the United States. In China, however, cotton mill activity has continued at a very low level since the early part of the season. In Japan mill activity apparently has been fairly well maintained but the quantity of cotton consumed was scheduled to be reduced beginning January 1, with staple fiber to be used in larger proportions. In many European countries, operations were reduced materially during the last few weeks of 1937. Reports from European cotton textile centers indicate that in these countries, as in the United States, manufacturers' sales of cotton textiles during recent weeks were, on the average, below the restricted output.

The decrease in the prospective foreign production, the substantial movement of raw cotton out of trade channels into Government-loan stocks, and the possibility of still further withdrawals have contributed to the strengthening

of domestic cotton prices during the past 6 weeks even though the cotton-textile situation continued unfavorable. The more favorable trend in commodity and security prices during recent weeks was also of some importance in this connection. Despite the improvement in domestic cotton prices during the last few weeks, they are still about 4-1/4 cents per pound lower than a year earlier and are the lowest, with the exception of the past 3-1/2 months, since May 1933.

Since early December, reports with respect to crop developments in foreign countries have resulted in a reduction of approximately a million bales in the estimated 1937-38 foreign production of commercial cotton. This reduction in the indicated supply of foreign cotton, together with the increased quantity of cotton moving into Government-loan stocks, has considerably reduced the indicated supply of "free cotton" for the current season. While the 1937-38 total supply of commercial cotton is now estimated to be about 6,300,000 bales, or 14 percent larger than in the previous season, the world supply of cotton, exclusive of stocks held by the United States Government on January 21, is estimated to be only 1-1/2 million bales or 4 percent greater than last season. Furthermore, stocks of Government-financed cotton are expected to increase still further before the end of the season.

<ins>Note to Extension Workers:</ins> Tables 1 to 5 near the end of this report revise and bring up to date various tables in the 1938 Cotton Outlook Chart Book. Tables in subsequent issues of The Cotton Situation should be carefully noted for footnote references calling attention to new or revised data for use in the Chart Book.

PRICES

Domestic cotton prices strengthened somewhat during December and the first part of January. On January 11 prices of 7/8 inch cotton at the 10 designated markets averaged 8.67 cents per pound which was 3/4 cent per pound higher than in the early part of December and 1 cent above the low point made in the first part of November. Between January 6 and January 24 spot prices of Middling 7/8 inch in these markets ranged between 8½ and 8-2/3 cents, the highest level since the latter part of September.

Factors which appear to have been of some importance in strengthening prices during recent weeks include the reduction in estimates of cotton production in foreign countries, the continued large movement of raw cotton out of trade channels into Government-loan stocks, and a somewhat more favorable trend in commodity and security prices.

Despite the improvement during recent weeks, current domestic cotton prices are still about 4½ cents per pound lower than a year earlier. With the exception of the past 3½ months, recent quotations are the lowest since May 1933 when the gold value of the dollar was about one-third higher than at present. The marked lower prices in relation to last season reflect important changes in the situation both with respect to supply and demand. At the present time the world supply of commercial cotton for the current season (August 1, 1937 to July 31, 1938) is estimated to be about 6,300,000 bales or 14 percent larger than last season's supply. At the same time, the world mill consumption of this cotton apparently has been declining for several months and is running considerably below current production.

Furthermore, in many countries, sales of cotton goods by mills have been running below production for some time. During much of the 1936-37 season mill sales of cotton goods were about equal to or in excess of mill output, and raw cotton consumption was running at a rate slightly higher than the estimated 1936-37 world production. The marked recession in general business conditions in the United States and the accompanying decline in domestic cotton mill activity, together with the very low level of mill consumption in China resulting from the conflict with Japan, have no doubt resulted in a lower rate of mill consumption during recent weeks than existed in 1936-37.

DEMAND AND CONSUMPTION

World consumption of raw cotton apparently has declined considerably during the past 6 weeks. In the United States the indexes of cotton consumption or cotton manufacturing for the week ended January 15 were from 10 to 12 points lower than those for the week ended December 4. In Japan and China comparatively little change in cotton mill activity took place during December and early January, but beginning January 1 mills in Japan were scheduled to reduce their consumption of raw cotton considerably. Reports from European cotton textile centers indicate that during December and the first half of January both sales and output declined in most cotton manufacturing countries.

United States: Low level of consumption in December

Domestic cotton consumption, adjusted for seasonal variations, declined materially during December and the first half of January. Trade reports indicate that sales of cotton cloth by domestic mills improved somewhat relative to the previous months which, together with the reduced production, resulted in a considerable improvement relative to output. Total consumption by domestic mills during December amounted to 433,000 bales. This represented a decline of 38 percent from the high level of consumption in December 1936. For the 5 months from August through December, total domestic consumption amounted to 2,651,000 bales compared with 3,177,000 bales during the corresponding period a year earlier, a decline of 16 percent. On the basis of trade reports with respect to activity in the first 3 weeks of January, it would appear that domestic consumption during the month will be very materially below January 1937 but not as much below a year earlier as was consumption during December.

Europe [1]: Outlook dependent upon economic conditions

Developments in the European cotton textile industry continued unsatisfactory during December and the first half of January, with declines in sales and mill occupation reported from the United Kingdom, and for western and central Europe. The raw material situation in Germany was somewhat improved, as a result of larger imports, but the potential consumption still could not be supplied. In general, it appeared that European spinners or merchants were of the opinion that there was no incentive to cover raw material requirements beyond immediate needs. The bumper world supplies of raw cotton as well as the uncertain consumer-demand outlook incident to the business recession in Europe and in the United States is reported by observers to have figured heavily in the attitude of European raw cotton interests.

American cotton continued to enjoy a relative preference in European takings, over competing growths, as a result of favorable price-relationships, which remained almost unchanged during December. Higher takings of American cotton, both relatively and absolutely, were shown for all important European countries, at the expense of competitive, notably sundries, growths.

The European cotton textile outlook for the next several months will largely depend on general economic developments in Europe and the United States. The lower raw cotton prices should, however, tend to maintain raw cotton consumption on present levels, even though several factors point to the probability of curtailment.

---

[1] Based largely on a report dated January 4, prepared by Lloyd V. Steere, Agricultural Attache at Berlin. Observations with respect to developments in January based largely on reports of New York Cotton Exchange Service.

United Kingdom.- Conditions in the yarn and cloth trade during the 6 weeks ending in mid-January continued unsatisfactory, and, as a result of further declines in the demand for yarn, spinning mill activity is reported to have been curtailed. There was a tendency, however, among weavers to avoid stoppage of looms as far as possible, though the usual holiday idleness is reported to have been extended.

In the second half of December more yarn sales were reported, and the demand for manufactures from India is indicated to have supported the otherwise unsatisfactory business situation. Buying of cloth by domestic consumers remained restricted. In the first 2 weeks of January, inquiries for cotton cloth were reported as having increased although sales continued slow to moderate.

Germany.- While the raw material problem continued to be the outstanding consideration in the German textile industry, notably in the face of a much increased retail demand, the supply situation in the cotton spinning industry has doubtless shown a certain improvement in recent weeks, as a result of continued larger imports of raw cotton, cotton waste and regenerated cotton. From August through November net imports by Germany of all these cotton spinning materials were considerably above last year and also above the same period in the past several years. Since 1933-34, however, the percentage of raw cotton in the total imports has shown a decided decline. During each of the 2 seasons, 1936-37 and 1937-38, raw cotton represented 74 percent of the August-to-November imports of all cotton spinning material, and "cotton waste and regenerated cotton" represented 26 percent. During the same period in 1933-34 raw cotton represented 92 percent of the total.

Imports of raw cotton from August through November this season showed a 25 percent increase in comparison with a year earlier but remained below the same period of 1935 and 1933, and of most, if not all, other years since the World War. Most of the increase over last season was in American cotton, with Brazilian and Egyptian also showing significant gains. The Soviet Union also supplied Germany with a considerable quantity of cotton during the first 4 months of this season compared with none in the past 2 seasons.

While there has been considerable improvement in the raw material situation there also has been an increase in retail and wholesale demand for textile goods in general and cotton goods in particular. As a result, a relative scarcity of raw material supplies has continued not only in respect to quality but also with regard to total quantity. The latest figures available on textile retail sales -for October - indicate a considerable increase over the large number of transactions in October 1936. More specifically, the increase in sales of textiles for personal wear was 16.4 percent, and for bed-linen 9.8 percent. Comparatively recent measures by the German Government are interpreted by the public as indicating the tension in the supply situation; for example, the prohibition of inventory sales for ordinary textile goods, except certain fancy articles, and a general instruction issued to shirt-makers to cut the length of shirts for men.

Czechoslovakia.- The decline previously reported in cotton mill occupation and sales continued during December, and domestic as well as foreign demand appeared very unsatisfactory. New orders decreased in both spinning and weaving sections, and this decline cannot simply be explained by the uncertainties in the raw cotton market. The general set-back in economic conditions in Europe and the United States has adversely influenced the export situation upon which the Czechoslovakian cotton textile industry so largely depends. It is also said that the negotiation of a trade treaty with the United States has led to a temporary standstill in Czechoslovakian exports to America, and reports further indicate that a revision of the commuted textile turnover tax, effective January 1, has led to December liquidation of manufactured stocks.

Austria.- Business and mill activity also declined in Austria during December as a result of both domestic and export developments. Italian preferential import contingents for some Austrian textile goods were to have been abolished, effective January 1.

France.- A rather general curtailment of spinning and weaving mill activity took place in France during December, though the extent of the restrictions apparently did not assume extensive proportions. Sales of cotton yarn as well as cotton cloth remained slow, but showed a certain pick-up in the second half of the month. In the first 2 weeks of January sales of cotton goods by French mills were reported as less than the restricted output.

Belgium.- Unfavorable developments in the Belgian cotton textile industry continued during December, and short-time work became rather general. No indications of any improvement in the situation during the first half of January have been received.

Italy 2/.- Reports vary as to conditions in the Italian cotton textile industry. In general, occupation and new business seem to have continued satisfactory during the past 6 weeks despite reports of less favorable export business developments. It remains true, however, that Italy's textile exports continue to increase as a result of developments in the Far East, since more business is transacted with countries that at present are not buying Japanese goods. Because of clearing balances existing in favor of Yugoslavia and Rumania, it also seems that there is good opportunity for Italian exports to be maintained or even increased in settlement of these balances. It is understood that the Italian Government is now making a point of encouraging the exportation of finished textiles rather than yarns.

The relatively high activity of the Italian cotton industry is now based considerably upon raw material other than raw cotton. The share of substitute raw materials increased well into 1937, as the following table shows.

2/ Information partly supplied by the American Consulate General at Milan.

Italy: Raw material consumed by cotton spinning mills, monthly average 1934-36 and specified months, 1937

Year and month	Raw cotton		Substitute materials 1/		Total
	Quantity	Percent of total	Quantity	Percent of total	
	1,000 lb.	Percent	1,000 lb.	Percent	1,000 lb.
1934(mo.av.)	33,883.4	91.5	3,143.1	8.5	37,026.5
1935(mo.av.)	31,191.3	85.8	5,165.8	14.2	36,357.1
1936(mo.av.)	21,875.1	75.0	7,287.3	25.0	29,162.4
1937					
Jan.	24,480.3	70.4	10,285.1	29.6	34,765.4
Mar.	27,385.8	67.9	12,941.0	32.1	40,326.8
July	29,721.5	68.1	13,926.9	31.9	43,648.4
Sept.	29,100.7	68.9	13,145.1	31.1	42,245.8

Textile-Zeitung, Berlin, December 28, 1937.

1/ Staple fibre, "cottonized" hemp, etc.

During recent months United States cotton seems to have replaced South American and even Indian on the Italian market because of the price advantage. The Brazilian clearing is ended and it is said in the trade that Brazilian cotton is not selling well because it does not come in standard qualities. In spite of the complaints of spinners regarding the raw material supply, it is believed that internal stocks of cotton are gradually being rebuilt.

Yugoslavia.- Recent information indicates that there has been a decline in cotton mill activity and business in Yugoslavia during the past few weeks. In mid-December mill sales of cotton textiles were reported as running considerably under the reduced output.

Russia.- The 1937 cotton textile plan appears to have been affected by a lag in activity. During the first 8 months of 1937 the cotton textile industry reported 83.2 percent completion of the plan for that period in the case of cotton fabrics, and 83.9 percent for yarn. During the same period, the total "debt" of the plants producing finished fabrics is reported to have amounted to 469.8 million yards. In addition to the unfavorable production developments, there was apparently a considerable deterioration of quality and a big increase in the percentage of defective goods. It is reported that in July almost one-fourth of all fabrics produced consisted of rejected and second-class goods, as compared with 15 percent in January 1937, and about 15 percent for the whole of 1936. A steady increase in the percentage of poor quality goods during 1936 also was reported.

Orient: Little change in mill activity

China 3/.- The cotton textile situation in China during the first half of January continued about the same as a month earlier. Cotton mill activity

---

3/ Based largely on radiograms from Agricultural Commissioner O.L.Dawson of Shanghai under dates of January 13 and 14.

for the country as a whole was probably only 15 to 25 percent as high as during most of the 1936-37 season. In Shanghai where most of the cotton spindles are located, activity is apparently slightly less than 20 percent of capacity, although activity in the Japanese mills in Shanghai was expected in mid-January to increase soon to about 25 percent of capacity. In the so-called Chinese section of the industry in Shanghai it was estimated that approximately 400,000 spindles or about 15 percent of the total in the Chinese owned mills were in operation in the early part of January.

At Tientsin, where about 40 percent of the spindles were reported in operation in early December, there was apparently some increase by the early part of January. According to a Consular report of December 22, cotton mill activity in Hankow was near full capacity although previous reports had indicated activity only about 25 percent of capacity. A recent report indicates that by mid-January activity in Hankow had probably declined somewhat. At Tsingtau and Tsinan it is believed that all of the cotton spindles continued inactive.

The outlook with respect to the sale of yarn by the Chinese section of the cotton textile industry in Shanghai is considered quite uncertain. Since the taking over of the Consolidated Tax Bureau on December 31 by the new government of Shanghai, new tax receipts have been issued pending the settlement of the Sino-Japanese consolidated tax question. This has stimulated the sales of yarn on which a tax has been paid. The yarn being produced by the Chinese mills in January, however, was reported as going mostly into stocks until the tax question is settled.

Small quantities of yarn were reported to be moving South but interior shipments were mostly shut off. As a result of the low level of cotton consumption and ample supplies of raw cotton in relation to current mill activity, prices of Chinese cotton at Shanghai have declined considerably and arrivals of raw cotton have been small.

Raw cotton imports into and exports from China have been quite small during recent months. Forward purchases of foreign cotton continued negligible in the first half of January. It is reported, however, that import permits for shipping North-China cotton to Japan have been granted for 70,000 bales of 478 pounds each, to the end of February. Additional permits will be granted later depending on conditions, but total exports from China to Japan for the current season are not expected to exceed a maximum of about 420,000 bales, even though later developments in the currency situation in North China with respect to the use of the yen may facilitate such exports.

Japan.- The cotton textile situation in Japan has become considerably less favorable during the past few weeks, although trade reports have been indicating comparatively little decline in cotton mill activity. A radiogram received from Shanghai on January 24 reports pure cotton yarn production for December to have been 18 percent below November production which was about equal to the average for the first 4 months of the season. However, the production of mixed yarn - cotton and staple fiber - is estimated to have increased sufficiently to about maintain mill activity. The reported production of unmixed cotton yarn for December was about the same as the level of production which had previously been reported as scheduled to begin in January. The difficulty in obtaining funds with which to purchase raw cotton apparently accounts for the earlier decline in this kind of yarn production than had previously been planned. It is estimated that at the end of December practically all unfilled orders for cloth had been filled and that during the month sales were equivalent to only about one-fourth of December production. In the first half of January sales of piece goods apparently continued at a rate only about one-fourth of current production. Despite the reduced sales, however, exports of cotton cloth from Japan were maintained at comparatively high levels through December. In fact, cloth exports in December were reported as totaling 251,000,000 square yards which has only been exceeded in 3 previous months. Total cloth exports from August through December were slightly in excess of the high level of the past 3 seasons and 62 percent higher than the average for the like period during the 5 years ended 1932. They are, however, expected to show a considerable decline in the first quarter of 1938.

In December it was reported that beginning January 1 goods made for consumption in Japan were to be subject to a 30 percent mixture of staple fiber. Recent reports, however, state that this compulsory staple fiber mixture has been deferred until February 1.

Although cotton consumption declined considerably during December, the total for the 5 months from August through December was slightly larger than during any like period in the history of Japanese mill consumption. Total consumption by mills of the Japanese Cotton Spinners' Association totaled 1,580,000 bales of 478 pounds. This was equivalent to 107 percent of the quantity consumed during the corresponding period last season and 44 percent larger than the average for this period during the 5 years ended 1932-33.

Consumption of all cotton by mills of the Japanese Cotton Spinners' Association 1/

Period	Average 5 years 1928-29 to 1932-33	1934-35	1935-36	1936-37	1937-38	1937-38 As a percentage of Average	1937-38 As a percentage of 1936-37
	1,000 bales of 478 pounds					Percent	Percent
Nov.	225	309	287	310	318	141.3	102.6
Dec.	229	310	287	319	2/ 265	115.7	83.1
Aug. 1 to Dec. 31	1,095	1,478	1,413	1,483	2/1,580	144.3	106.5+

1/ These mills ordinarily consume about 95 to 98 percent of the cotton consumed in Japan.

2/ December consumption estimated from yarn production.

Cloth exports from Japan

Period	Average 5 years 1928-29 to 1932-33	1934-35	1935-36	1936-37	1937-38	1937-38 as a percent of Average	1937-38 as a percent of 1936-37
	Millions of square yards					Percent	Percent
Nov.	136	233	221	215	215	158.1	100.0
Dec.	137	247	209	267	251	183.2	94.0
Aug. 1 to Dec. 31 ...	718	1,098	1,105	1,147	1,160	161.6	101.1

SUPPLY

World supply smaller than previously expected

According to present estimates of world production, the indicated world supply of commercial 4/ cotton for the 1937-38 season is now approximately 50,660,000 bales. 5/ In November it was expected to be 51,400,000 bales and the increase in the December estimate of the domestic crop indicated an even larger world supply. Since early December, however, the estimate of foreign production has been reduced considerably.

Despite the decline in the prospective foreign crop, the indicated total world supply of commercial cotton is still 6,300,000 bales or 14 percent larger than that of last season and even larger relative to the years prior to 1936-37. The supply is still 11,970,000 bales or 31 percent larger than the average for the 5 years ended 1932-33; this increased supply is largely due to the increase in American cotton although the indicated supply of foreign represents an increase of 1,150,000 bales or 5 percent. In comparison with the average for the above 5-year period, however, American cotton is only 2,300,000 bales or 10 percent larger, whereas the supply of foreign cotton shows an increase of 9,700,000 bales or 59 percent.

4/ Commercial cotton includes only raw cotton produced for factory consumption and does not include large quantities grown in India, China, and to some extent in other countries for consumption on hand spindles or for use in other ways without entering commercial channels.

5/ In the estimates of the supply of commercial cotton as well as the estimates of carry-over, production, and mill consumption, American cotton is given in running bales counting round as half bales and foreign cotton is given in bales of approximately 478 pounds net weight. American cotton is given in running bales instead of bales of uniform weight because the data pertaining to carry-over and consumption are available only in running bales.

Cotton, commercial 1/: World supply of American and foreign

Kind of cotton	Av. 5 years: 1928-29 to 1932-33	1934-35	1935-36	1936-37	1937-38	1937-38 As a percent of Average	1937-38 As a percent of 1936-37
	1,000 bales 2/	1,000 bales 2/	1,000 bales 2/	1,000 bales 2/	1,000 bales 2/	Percent	Percent
American ...	22,226	20,277	19,536	19,373	24,535	110.39	126.65
Foreign	16,470	20,313	21,856	24,976	26,128	158.64	104.61
All kinds ..	38,696	40,590	41,392	44,349	50,663	130.93	114.24

1/ For description and details see tables on pages 15, 16, and 17.

2/ American in running bales, counting round as half bales, and foreign in bales of approximately 478 pounds.

Although the total world supply of commercial cotton for the 1937-38 season is now estimated to be 6,300,000 bales larger than that of 1936-37, when the cotton now financed by the United States Government is deducted the remaining supply - frequently called "free cotton" - is estimated to be only 1½ million bales or 4 percent larger than last season. Out of a 1936-37 world supply of commercial cotton of 44,350,000 bales, stocks of Government-financed cotton at the end of the season totaled 1,665,000 bales, leaving about 42,700,000 bales of "free cotton" available for consumption or carry-over. On January 20, however, new crop loans disbursed by the Commodity Credit Corporation and held by lending agencies totaled 4,744,000 bales. This cotton plus the stocks of old cotton gave a total of 6,400,000 bales in Government stocks on that date. Even if there is no net increase in these stocks between now and July 31, the season's supply of "free cotton" would be reduced to 44,250,000 bales. However, during the 4 weeks ended January 21 and the 2 weeks ended January 20, these stocks increased 600,000 and 300,000 bales, respectively, indicating that there may be a substantial further decrease in the supply of "free cotton".

Production of commercial cotton

The present estimate (of the New York Cotton Exchange Service) of the 1937-38 world production of commercial cotton is 37,350,000 bales. This is considerably less than earlier estimates because of reductions in estimates of foreign production. The estimated production, however, is still 6,650,000 bales or 22 percent larger than for the previous season and 11,880,000 bales or 7 percent larger than the 5-year 1928-29 to 1932-33 average. The ginnings of American cotton during the year ended July 31, 1938, plus an allowance for city crop, are now estimated at 18,300,000 running bales which is an increase of 5,925,000 bales or 48 percent over the 1936-37 crop. The present production estimate of foreign commercial cotton is 19,050,000 bales, which is 1 million bales lower than estimates of early December. While this estimate is only 725,000 bales larger than the estimate for the previous season it is 8,170,000 bales or 75 percent larger than the 5-year average.

Acreage and production of all cotton 6/

On the basis of information thus far received with respect to crop prospects in foreign countries the 1937-38 "agricultural crop" is estimated at 19,344,000 bales of 478 pounds net weight. This represents a reduction of approximately 800,000 bales from this Bureau's earlier estimate of total foreign production. It is still 600,000 bales larger than the American crop, and larger than the record foreign crop of 1936-37.

The current estimate of foreign production plus the Crop Reporting Board's December estimate of domestic production (18,746,000 bales) gives an indicated world production of 38,090,000 bales of all cotton. Since both the estimates of the domestic as well as the foreign crop are larger than any previous crops in history, the world crop is much larger than that of any previous season.

On the basis of current estimates of cotton acreage in the principal foreign producing countries, the total 1937-38 foreign acreage is estimated at 58,260,000 acres. This represents an increase of 5 percent over that of the previous season and is 15 million acres larger than the average area harvested in the 5 years ended 1932-33. This estimate together with the indicated area for harvest in the United States gives an estimated total world acreage of 92,190,000 compared with 85,700,000 acres in 1936-37. The current estimate of world acreage is 8,500,000 acres larger than the 5 year average. According to these estimates acreage outside the United States represents 63.2 percent of world total this year, whereas in the 5 years ended 1932-33 the area in foreign countries represented only 51.5 percent of the total.

The available 1937-38 estimates together with comparable estimates for earlier years for a number of the individual countries are given in table 1.

6/ There is a great demand for estimates of cotton acreage, production, and yield, for individual countries and for foreign and world totals. For such estimates it is necessary that the data on production be given in units of a constant and known weight such as bales of 478 pounds net instead of running bales of varying weights. This, together with the fact that the only available estimates of acreage include areas on which both the noncommercial as well as the commercial cotton is produced, should largely account for the differences in the estimates of world production of commercial cotton and the estimates of the world "agricultural crop". However, since the only available estimates of the "agricultural crop" in India are apparently considered too small (see Statistical Bulletins 4 and 6 released by the Indian Central Cotton Committee), the world estimates of the so-called agricultural crop are not as large relative to the estimates of commercial production as they really should be.

Table 1.-Cotton: Estimates of acreage and production, specified countries, 1934-35 to 1937-38

Country	Acreage 1934-35	 1935-36	 1936-37	 1937-38 1/	Production 1934-35	 1935-36	 1936-37	 1937-38 1/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 bales 478 lbs.	1,000 bales 478 lbs.	1,000 bales 478 lbs.	1,000 bales 478 lbs.
United States	26,866	27,640	30,028	33,930	9,636	10,638	12,399	18,746
India	23,972	25,999	25,219	26,000	4,065	4,965	5,278	5,100
China 2/	7,078	6,250	8,447	9,300	3,243	2,667	3,870	3,600
Russia	4,787	4,827	5,023	5,163	1,738	2,250	3,250	3,482
Egypt	1,798	1,733	1,781	2,053	1,566	1,769	1,887	2,282
Brazil	4,067	5,189	6,425		1,359	1,765	1,712	1,936
Peru	368	400	445		345	393	374	
Mexico	418	593	344	856	223	251	359	
Argentina	707	763	713	1,035	295	373	144	
Uganda	1,136	1,366	1,457		212	272	269	305
Anglo Egyptian Sudan	365	392	475	461	227	210	268	
Chosen	474	514	560	545	136	189	119	216
Iran	237				128	129	157	
Turkey	437	521	628		162	186	157	
Algeria	0	3/	1	1	0	4/	4/	1
Bulgaria	47	89	78	113	18	39	29	41
Greece	91	111	154	131	36	49	59	76
Italy	7	10	27	54	4	4	10	20
Kenya					7	13	18	17
Nyasaland	42	84			8	16	10	8
Estimated total in foreign countries	48,794	51,930	55,672	58,260	14,204	16,052	18,501	19,344
Estimated world total	75,660	79,570	85,700	92,190	23,840	26,690	30,900	38,090

Compiled from official sources, and reports of the International Institute of Agriculture, or estimated by the Bureau of Agricultural Economics.

1/ Preliminary.
2/ Includes Manchuria.
3/ Less than 500 acres.
4/ Less than 500 bales.

(This table may be used to bring up to date the United States acreage and production figures on page 4 of the 1938 Outlook Chart Book for Cotton; the figures on United States production and foreign production, including China, on page 5; and production in specified countries on page 7.)

India.- On the basis of the Indian Government's estimate of the area planted to cotton up to December 1, it is estimated that the total acreage of the 1937-38 crop in India will approximate 26,000,000 acres. This estimate is larger than that of any year since 1928-29 and 16 percent larger than the comparatively small acreage in 1932-33. On the basis of the first official estimate of Indian production from the area planted up to December 1, together with trade reports pertaining to the Indian crop, it is believed that an estimate of approximately 5,100,000 bales of 478 pounds is a reasonably comparative figure to be used in comparison with the official estimates of the Indian Government for earlier years. This figure is approximately 200,000 bales less than the 1936-37 crop but the largest with that exception since 1925-26.

The U. S. S. R.- Reports from Russia continue to indicate that both the acreage and production of the 1937-38 crop apparently have been fully equal to the plan. In the case of production, the plan called for a crop of 3,480,000 bales of 478 pounds. This is probably the same as the reported crop of the previous season but somewhat larger than the estimate being used for the 1936-37 crop, since reports indicate that substantial quantities of that crop were ruined because of wet weather at harvest time and that some of the reported procurings include the weight of a substantial amount of moisture (see Foreign Crops and Markets for February 3, 1936).

Table 2.- Cotton, commercial 1/: World supply of specified growths and percentage each growth is of all kinds, 1920-21 to date

Season beginning Aug. 1	Foreign								American		
	Egyptian		Indian		Sundries		Total				
	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	All kinds
	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/
1920-21	1,977	6.1	6,327	21.1	3,554	11.0	12,378	38.2	20,002	61.8	32,380
1921-22	2,224	7.3	6,649	21.9	3,510	11.6	12,383	40.8	17,959	59.2	30,342
1922-23	2,242	7.7	6,775	23.4	4,124	14.3	13,141	45.4	15,804	54.6	28,945
1923-24	2,131	8.0	6,555	24.6	4,327	16.2	13,013	48.8	13,648	51.2	26,661
1924-25	2,005	6.5	6,801	22.2	5,185	16.9	13,991	45.6	16,717	54.4	30,708
1925-26	2,289	6.6	6,842	19.7	5,999	17.3	15,130	43.6	19,561	56.4	34,691
1926-27	2,569	6.7	6,192	16.1	5,979	15.6	14,740	38.4	23,663	61.6	38,403
1927-28	2,304	6.4	6,465	18.0	6,426	17.8	15,195	42.2	20,802	57.8	35,997
1928-29	2,502	6.9	7,392	20.3	6,682	18.4	16,576	45.6	19,761	54.4	36,337
1929-30	2,729	7.4	7,955	21.6	6,875	18.7	17,559	47.7	19,233	52.3	36,792
1930-31	2,984	8.0	7,294	19.6	6,930	18.6	17,208	46.2	20,060	53.8	37,268
1931-32	2,995	7.3	5,770	14.0	6,669	16.1	15,434	37.4	25,853	62.6	41,287
1932-33	2,485	6.0	5,994	14.3	7,094	17.0	15,573	37.3	26,224	62.7	41,797
1933-34	2,829	6.5	7,368	17.1	8,464	19.6	18,661	43.2	24,521	56.8	43,182
1934-35	2,604	6.4	7,546	18.6	10,163	25.0	20,313	50.0	20,277	50.0	40,590
1935-36	2,586	6.2	7,817	18.9	11,453	27.7	21,856	52.8	19,536	47.2	41,392
1936-37	2,668	6.0	8,475	19.1	13,833	31.2	24,976	56.3	19,373	43.7	44,349
1937-38 3/	2,951	5.8	8,555	16.9	14,622	28.9	26,128	51.6	24,535	48.4	50,663

1/ Includes only raw cotton produced for factory consumption. Does not include large quantities grown in India, China, and other countries for consumption on hand spindles or for use in other ways without entering commercial channels. 2/ American in running bales (counting round bales as half bales), foreign in bales of approximately 478 pounds net. 3/ Preliminary.

Compiled from reports of the New York Cotton Exchange.

(This table revises the data - from 1930-31 to date - in the table on page 1 of the 1938 Outlook Chart Book).

Table 3.-Cotton, commercial: 1/ World carry-over of specified growths, and percentage each growth is of all kinds, beginning of season, 1920-21 to date

Season beginning Aug. 1	Foreign								American		All kinds
	Egyptian		Indian		Sundries		Total				
	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	
	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/
1920-21	799	6.8	3,577	30.5	1,038	8.8	5,414	46.1	6,338	53.9	11,752
1921-22	1,172	7.7	2,981	19.7	1,342	8.8	5,495	36.2	9,674	63.8	15,169
1922-23	1,099	10.5	2,535	24.2	1,180	11.2	4,814	45.9	5,680	54.1	10,494
1923-24	825	10.9	2,273	30.0	1,155	15.3	4,253	56.2	3,318	43.8	7,571
1924-25	541	8.2	2,065	31.2	1,297	19.6	3,903	59.0	2,711	41.0	6,614
1925-26	556	7.0	2,264	28.5	1,748	22.0	4,568	57.5	3,380	42.5	7,948
1926-27	920	8.8	2,190	20.9	1,862	17.8	4,972	47.5	5,501	52.5	10,473
1927-28	1,067	8.4	1,976	15.6	1,766	14.0	4,809	38.0	7,845	62.0	12,654
1928-29	847	8.0	2,673	25.4	1,809	17.2	5,329	50.6	5,206	49.4	10,535
1929-30	988	9.4	2,978	23.2	2,058	19.5	6,024	57.1	4,517	42.9	10,541
1930-31	1,285	10.8	2,704	22.8	1,716	14.4	5,705	48.0	6,187	52.0	11,892
1931-32	1,670	11.3	2,428	16.4	1,734	11.7	5,832	39.4	8,976	60.6	14,808
1932-33	1,446	7.9	1,883	10.3	1,744	9.5	5,073	27.7	13,263	72.3	18,336
1933-34	1,088	6.4	2,534	14.8	1,685	9.8	5,307	31.0	11,809	69.0	17,116
1934-35	1,079	6.2	3,348	19.1	2,412	13.7	6,839	39.0	10,701	61.0	17,540
1935-36	827	5.5	2,494	16.5	2,710	18.0	6,031	40.0	9,041	60.0	15,072
1936-37	805	5.9	2,814	20.6	3,032	22.2	6,651	48.7	6,998	51.3	13,649
1937-38 3/	701	5.3	3,055	22.9	3,322	25.0	7,078	53.2	6,235	46.8	13,313

1/ Includes only raw cotton produced for factory consumption. Does not include large quantities grown in India, China, and other countries for consumption on hand spindles or in other ways in the homes without entering commercial channels.

2/ American in running bales (counting round bales as half bales); foreign in bales of approximately 478 pounds net.

3/ Preliminary.

Compiled from reports of the New York Cotton Exchange.

(This table revises the data - from 1935-36 to date - in the table on page 2 of the 1938 Outlook Chart Book.)

Table 4.- Cotton, commercial 1/: World production of specified growths and percentage each growth is of all kinds, 1920-21 to date

Season beginning August 1	Foreign								American		
	Egyptian		Indian		Sundries		Total				
	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	All kinds
	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/	Percent	1,000 bales 2/
1920-21	1,198	5.8	3,250	15.8	2,516	12.2	6,964	33.8	13,664	66.2	20,628
1921-22	1,052	6.9	3,668	24.2	2,168	14.3	6,888	45.4	8,285	54.6	15,173
1922-23	1,143	6.2	4,240	23.0	2,944	15.9	8,327	45.1	10,124	54.9	18,451
1923-24	1,306	6.9	4,282	22.4	3,172	16.6	8,760	45.9	10,330	54.1	19,090
1924-25	1,464	6.1	4,736	19.7	3,888	16.1	10,088	41.9	14.006	58.1	24,094
1925-26	1,733	6.5	4,578	17.1	4,251	15.9	10,562	39.5	16,181	60.5	26,743
1926-27	1,649	5.9	4,002	14.3	4,117	14.8	9,768	35.0	18,162	65.0	27,930
1927-28	1,237	5.3	4,489	19.2	4,660	20.0	10,386	44.5	12,957	55.5	23,343
1928-29	1,655	6.4	4,719	18.3	4,873	18.9	11,247	43.6	14,555	56.4	25,802
1929-30	1,740	6.6	4,978	19.0	4,817	18.3	11,535	43.9	14,716	56.1	26,251
1930-31	1,698	6.7	4,590	18.1	5,215	20.5	11,503	45.3	13,873	54.7	25,376
1931-32	1,309	5.0	3,342	12.6	4,951	18.7	9,602	36.3	16,877	63.7	26,479
1932-33	1,038	4.4	4,110	17.5	5,352	22.3	10,500	44.7	12,961	55.3	23,461
1933-34	1,739	6.7	4,834	18.5	6,781	26.0	13,354	51.2	12,712	48.8	26,066
1934-35	1,523	6.6	4,198	18.2	7,753	33.6	13,474	58.4	9,576	41.6	23,050
1935-36	1,758	6.7	5,323	20.2	8,744	33.2	15,825	60.1	10,495	39.9	26,320
1936-37	1,863	6.1	5,661	18.4	10,801	35.2	18,325	59.7	12,375	40.3	30,700
1937-38 3/	2,250	6.0	5,500	14.7	11,300	30.3	19,050	51.0	18,300	49.0	37,350

1/ Includes only raw cotton produced for factory consumption. Does not include large quantities grown in India, China, and other countries for consumption on hand spindles or in other ways in the homes without entering commercial channels. 2/ American in running bales (counting round bales as half bales); foreign in bales of approximately 478 pounds net. 3/ Preliminary.

Compiled from reports of the New York Cotton Exchange.

(This table revises the data - from 1930-31 to date - in the table on page 3 of the 1938 Outlook Chart Book).

Table 5.- Cotton: World mill consumption of specified growths and percentage each growth is of all kinds, 1920-21 to date

Season beginning August 1	Foreign								American		
	Egyptian		Indian		Sundries		Total				
	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	Actual	As a percentage of all kinds	All kinds
	1,000 bales 1/	Percent	1,000 bales 1/	Percent	1,000 bales 1/	Percent	1,000 bales 1/	Percent	1,000 bales 1/	Percent	1,000 bales 1/
1920-21	824	4.3	3,847	22.4	2,212	12.9	6,883	40.1	10,268	59.9	17,151
1921-22	1,125	5.7	4,114	20.3	2,330	11.8	7,569	38.3	12,209	61.7	19,778
1922-23	1,417	6.7	4,502	21.1	2,969	13.9	8,838	41.7	12,449	58.3	21,337
1923-24	1,590	8.0	4,490	22.4	3,030	15.1	9,110	45.5	10,917	54.5	20,027
1924-25	1,449	6.4	4,537	19.9	3,437	15.1	9,423	41.4	13,311	58.6	22,734
1925-26	1,369	5.7	4,652	19.2	4,137	17.1	10,158	42.0	14,010	58.0	24,168
1926-27	1,502	5.9	4,216	16.4	4,213	16.4	9,931	38.7	15,748	61.3	25,679
1927-28	1,457	5.7	3,792	14.9	4,617	18.2	9,866	38.8	15,576	61.2	25,442
1928-29	1,514	5.9	4,414	17.1	4,624	17.9	10,552	40.9	15,226	59.1	25,778
1929-30	1,444	5.8	5,252	21.1	5,158	20.8	11,854	47.7	13,021	52.3	24,875
1930-31	1,313	5.8	4,866	21.7	5,197	23.2	11,376	50.7	11,056	49.3	22,432
1931-32	1,532	6.7	3,887	17.0	4,942	21.6	10,361	45.3	12,528	54.7	22,889
1932-33	1,396	5.7	3,459	14.0	5,411	21.9	10,266	41.6	14,385	58.4	24,651
1933-34	1,748	6.3	4,020	15.7	6,054	23.7	11,822	46.2	13,780	53.8	25,602
1934-35	1,775	7.0	5,053	19.8	7,454	29.2	14,282	56.0	11,206	44.0	25,488
1935-36	1,780	6.4	5,002	18.1	8,423	30.4	15,205	54.9	12,503	45.1	27,708
1936-37 2/	1,967	6.4	5,420	17.5	10,511	33.9	17,898	57.8	13,093	42.2	30,991

1/ American in running bales (counting round as half bales); foreign in bales of approximately 478 pounds net. 2/ Preliminary.

Compiled from reports of the New York Cotton Exchange Service.

(This table revises the data - from 1930-31 to date - in the table on page 8 of the 1938 Outlook Chart Book).

UNIVERSITY OF FLORIDA
3 1262 08900 4211